



CTIA

Building The Wireless Future™

Cellular Telecommunications & Internet Association

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January 6, 2003

Ms. Marlene H. Dortch
Secretary
Federal Communications Commission
445 12th Street, SW
12th Street Lobby, TW-A325
Washington, DC 20554

Re: *Written Ex Parte Presentation*
CC Docket No. 99-200

Dear Ms. Dortch:

The Cellular Telecommunications & Internet Association ("CTIA") hereby responds to certain issues raised by the California Public Utilities Commission ("CPUC") in its December 23, 2002, reply comments¹ in support of its September 5, 2002, Petition for a waiver of the Commission's thousand-block contamination threshold rule.² As further detailed below, neither the CPUC's original Petition nor its comments submitted in this proceeding provide any evidence that an increase in the contamination threshold will provide meaningful area code relief where it is most urgently needed. Furthermore, the CPUC provides no evidence to suggest that the significant costs associated with an increase in the contamination threshold would be justified by the ephemeral benefits of such an increase. Accordingly, the CPUC Petition must be rejected.

First and foremost, it is critical to note while the CPUC Petition and associated comments assert that an increase in the contamination threshold will ease the California numbering crisis, there is no discussion of how such an increase will provide immediate relief in the 310 and 909 area codes, which will exhaust in less than six months. For example, in the reply comments, the CPUC claims that "increasing the contamination threshold from 10 percent to 25 percent would extend the lives of each NPA in California."³ The CPUC fails to mention, however, that the proposed increase in the contamination threshold cannot be implemented before the 310 and 909 area codes

¹ See Reply Comments of the California Public Utilities Commission and the People of the State of California on Its Petition for Waiver of the Federal Communications Commission's Contamination Threshold Rule, CC Docket No. 99-200 (filed Dec. 23, 2002) (hereinafter "CPUC Reply Comments").

² See Petition of the California Public Utilities Commission and the People of the State of California for Waiver of the Federal Communications Commission's Contamination Threshold Rule, CC Docket No. 99-200 (filed Sept. 5, 2002).

³ CPUC Reply Comments at 4.



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exhaust. Furthermore, even if the increase could be implemented prior to exhaust, the CPUC's own analysis indicates that the change would only increase the lifespan of the 909 area code by one month, and the lifespan of the 310 area code by two months.⁴ Accordingly, the CPUC plan will do nothing to bring relief to the areas where number shortages have reached a critical stage.

On the other hand, the CPUC plan will impose substantial new costs on wireless carriers and, ultimately, wireline and wireless customers. In its reply comments, the CPUC states that much of the cost of implementing an increase in the contamination threshold would be paid for through local number portability ("LNP") cost recovery, as if this somehow makes it costless to end users.⁵ In addition, the CPUC also asserts that it "cannot imagine the costs to the industry of increasing the contamination threshold from 10 percent to 25 percent would equal or exceed the costs of deploying LNP either nationwide or in California."⁶ CTIA notes, however, that LNP cost recovery represents only a portion of the overall operating and network expenses associated with the implementation of LNP, and does not cover wireless expenses and expenses associated with ongoing network upgrades for LNP. A deviation from the national contamination threshold in California would cause carriers to incur further upgrade costs that could only be recovered through service price increases that would be passed directly to consumers.

The record in this proceeding clearly indicates that the CPUC plan to increase the contamination threshold will do nothing to alleviate the numbering crisis in the 310 and 909 area codes. Instead, implementation of the CPUC plan will only impose new costs upon wireless users in the State of California. Accordingly, CTIA urges the Commission to reject the CPUC Petition, thereby upholding the national rules, and order the CPUC to implement true area code relief in the 310 and 909 area codes immediately.

Respectfully submitted,



Michael Altschul

⁴ See Report on the Technical Viability of Increasing the Pooling Contamination Threshold, NANC Contamination Levels Issue Management Group, December 6, 2002, at 15, Table 2 (filed Dec. 11, 2002) (stating that under Analysis B, which was conducted by the CPUC, an increase in the contamination threshold would only add one month to the 909 area code and two months to the 310 area code).

⁵ Moreover, there is no cost recovery for CMRS, other than carriers' ability to pass these costs to their customers.

⁶ CPUC Reply Comments at 2.